

# Weekly Market Review

April 18, 2019

## Overview

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We are currently in the beginning phases of transition. We are continuing to see some quality issues with product out of the desert region mainly due to bugs; we will begin to see improvement now and into the next weeks as we transition fully into Salinas. Celery is still in a very **EXTREME** situation. See below for more details.

## Market Alert

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- Avocados - **ESCALATED**
- Cabbage (Red) – **ESCALATED**
- Celery – **EXTREME**
- Limes -**ESCALATED**
- Onions (White and Red) – **EXTREME**

## Watch List

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- Mushrooms
- Squash (Italian and Yellow)
- Sweet Potatoes and Yams

## Transportation

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Freight rates continue to be above average and available trucks are limited. Mexico is experiencing a National Fuel Shortage due to alleged corruption. We have not seen this affect supply crossing into the United States quite yet, but it could affect imports over the next several weeks. We will keep you informed when we have updates.

## Weather

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### COACHELLA:

Thu 4/18	Fri 4/19	Sat 4/20	Sun 4/21	Mon 4/22	Tue 4/23	Wed 4/24
99°   66° F	100°   69° F	96°   61° F	88°   63° F	96°   68° F	99°   69° F	104°   70° F
						
Partly Cloudy	Sunny	Sunny/Wind	Sunny	Sunny	Sunny	Sunny

### CULIACAN:

Thu 4/18	Fri 4/19	Sat 4/20	Sun 4/21	Mon 4/22	Tue 4/23	Wed 4/24
97°   58° F	101°   63° F	92°   61° F	92°   60° F	94°   59° F	94°   57° F	95°   59° F
						
Mostly Sunny	Partly Cloudy	Partly Cloudy	Mostly Sunny	Cloudy	Partly Cloudy	Mostly Cloudy

**WIMAUMA:**

Thu 4/18	Fri 4/19	Sat 4/20	Sun 4/21	Mon 4/22	Tue 4/23	Wed 4/24
91°   72° F	84°   61° F	73°   58° F	78°   54° F	83°   60° F	85°   63° F	86°   65° F
						
Partly Cloudy	Thunderstorms/W	Partly Cloudy	Sunny	Sunny	Partly Cloudy	Mostly Sunny

**SALINAS:**

Thu 4/18	Fri 4/19	Sat 4/20	Sun 4/21	Mon 4/22	Tue 4/23	Wed 4/24
78°   52° F	70°   53° F	61°   50° F	66°   49° F	72°   53° F	79°   57° F	78°   55° F
						
Partly Cloudy	Mostly Cloudy	AM Clouds/PM Sun	Partly Cloudy	Sunny	Sunny	Sunny

**Good Buys**

Commodity	Market Update	Produce Expert Tip
<b>Shishito Peppers</b>	New crop available out of the desert	Shishito peppers pack that little bit of punch you have been looking for these past few months, and they are finally here! Pair seared peppers them with roasted sweet corn, to make that amazing sweet and spicy duo.

**Fruits & Vegetables**

**Avocados: ESCALATED** We are continuing to experience a very active avocado market as we approach Holy Week. We do not expect any harvesting of fresh avocado in Mexico through the rest of the week, and we have seen the USDA quotes react with price increases overnight due to light crossing and low inventories stateside. We should see production ramp back up late next week, but expect the markets to remain active through the end of the month. With that being said, we encourage you to pre-book orders far enough in advance to ensure efficient and uninterrupted service levels. Produce Alliance does not foresee any major shortages at this time; however, we strongly encourage the option to have flexibility in size and grade specifications where necessary to fill orders.

**Bananas:** Banana supply has transitioned back to "normal", with on-time vessels and arrivals from the tropics. Fruit quality remains good with no real changes in the short term.

**Pineapples:** Pineapple volumes have slowed as yields are lower coming off a strong Q1. At this point most of the incoming volume has been spoken for with Easter loading happening within the next few days. Availability should pick back up after Easter.

**Grapes:** Crimson prices are starting to tick up as movement has been good, and supply coming to the market continues to shrink. Movement should stay good as greens are very tight and very high-priced.

**Berries**

**Blueberries:** Supply will be low for the next three weeks and then begin to increase.

**Blackberries:** We anticipate blackberries will continue trending up week after week.

**Raspberries:** Raspberries are lower than forecasted last week; volume is really tight and expected to be throughout the week. Pricing will increase for the next few weeks.

**Strawberries:** The strawberry market has improved, and we hope to see continuous improvement. Rain is phasing out and the weather in California is favorable.

### **California / Arizona Citrus**

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**Navels:** Navels are steady with good supply of fruit. We are seeing more 88s and 72s choice. We should have fruit into early-to-mid-June.

**Lemons:** The desert is done and the Central California crop is winding down; couple this with increasing demand and you get tighter supply and higher prices. We are experiencing this, especially on the smaller sizes (165s/200/235s), which also impacts the 140s as customers move up in size. For now, we have good supply of 115s and larger, but as spring turns into summer they will also get tight.

**Limes:** **ESCALATED** Supply remains tight due to lower volume crossing through the border as a result of weather issues in Mexico.

**Grapefruit:** Star Ruby Grapefruit is available. Fruit is excellent.

#### **Imports/Specialties available:**

- Blood Oranges
- Cara Caras
- Sun Delite
- Gold Nugget
- Ojai Pixie
- Minneola

### **West Coast Lettuce**

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**Butter:** Supply is fair to poor and quality is good.

**Green Leaf:** Supply is slightly above normal. We are seeing a little bit of thrip damage and bug pressure in our desert growing region. As of right now, we are split 70/30 between growing regions. Salinas Valley crop is clean and we are packing all private-label product. Demand is good, and weights are in the 18-20lbs range.

**Red Leaf:** Supply is light. Quality is fair.

**Iceberg Lettuce:** Huron will be harvesting all week; the target finish date is Saturday. Salinas will start, with very small volume, on Wednesday. The lettuce is at its best in over a month. We will now start harvesting Green Giant for cello lettuce. The market is active and the combination of increased demand and some acreage that is behind schedule, due to weather, is causing lighter supply.

**Romaine:** Supply is right on budget. Quality is good and is clean, with very good texture. Fields in the Salinas Valley are aren't quite full, but we have fully transitioned from the desert. Weights are hovering around 34-36lbs.

**Romaine Hearts:** Supply this week is normal. Quality is great and is clean. All romaine hearts have officially transitioned from the desert. Weights on the 12x3's have been in the 21-23lb range, with the 48ct weighing 27-31lbs.

### **Eastern and Western Vegetables**

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**Green Bell Pepper:** South Florida farms continue to provide the East with a light but steady supply of bell peppers. Plant City will be the next area to come online next week. Although there are rumors that acreage in this area is down from normal years, this fruit will have to carry the East until Georgia gets up and running in mid-May. There's a decent mix of sizing available, and quality has been pretty good. We may see a few minor hiccups in quality over the weekend and into next week since it has rained in the growing areas this week. In the West, Coachella has entered the picture just as Mexico's fruit sizing and quality becomes more challenging. California is starting to pick up a little steam, as first-to-market growers move deeper into picks and more growers get started over the next few weeks. By the end of the month, Coachella should be the place to go for pepper.

**Red Bell Pepper:** The red bell pepper market has turned back around as numbers are falling short crossing through Nogales. We expect a three-week active market and should see relief once Baja and Coachella ramp up.

**Yellow Pepper:** The yellow pepper market has turned back around as numbers are falling short crossing through Nogales. We expect a three-week active market and should see relief once Baja ramps up.

**Mini Sweet Pepper:** With increased demand and overall lighter supply of mini sweets, farms are reaching to meet orders. The situation could remain tight until after the Easter holiday.

**Mixed Chili Pepper:** With Easter right around the corner, chili pepper demand in Mexico's national market is strong, especially on poblanos and jalapenos; however, most all items are available with nice quality. South Florida growers continue with a trickle of select varieties, but Plant City started its first jalapeno harvests this week. Look for more volume and varieties from this new production area over the next few weeks.

**Eggplant:** Eggplant volume has picked up a bit in Florida as new fields are finally into production; however, there is a mix of product quality. Fruit from some of the older fields have scarring and discoloration, but newer crops have nicer product. Look for more volume in a few weeks when Plant City is up and running. Mexico's eggplant supply (out of Sinaloa) is expected to remain steady for the next 10-14 days. Quality is mostly good, but there are some occasional lots with challenges.

**Cucumbers:** With Sonora's crops gaining momentum and Baja in first-of-the-season harvests, Western cucumber supply should be good in the coming weeks. The Sinaloa crop will run for another 3-4 weeks, but a few growers are starting to have quality issues and reduced shelf life which could be due to the high heat. Florida's cucumber volume is also strong this week, as several growers work through flushes. With new crops continuing to come online for the next few weeks, supply should remain solid through April.

**English Cucumbers:** There is a steady supply available through Nogales and Canada. Volume deals are being made.

**Green Beans:** With an abundance of product and market prices below production cost, we are seeing bean growers disk up acreage in South Florida. At this point, there's still plenty of acreage online in South and Central Florida to meet the lackluster demand, so there shouldn't be any problems getting through Easter.

Weather and depressed markets could become a factor in Eastern availability over the next month, but there are plenty of beans in the ground for the Spring now. The West has plenty of its own beans available to handle market needs. With Guasave crops looking to remain steady for the next few weeks, new crops in Baja and the California desert are ramping up. Quality is outstanding.

**Zucchini / Yellow Squash:** With South Florida and Plant City both in solid production this week, there's plenty of squash in the East. We'll see volume dip after next week as most growers in South Florida finish up the season. Weather permitting, Plant City should continue to see good volume for a few more weeks. Yellow squash in both areas has more scarring (about 20%) than most retail customers permit, so Eastern buyers are going West to get the quality. There are a handful of growers in southern Mexico that have small acreage left; we are seeing a slight dip in production on Zucchini, and yellow squash quality in Mexico is fair at best. We anticipate transition to California in 10 to 14 days.

## Herbs

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**BASIL** Supply continues to improve locally and we should be in full swing by the first week of May. Weather has been a little on the cool side the past few days, but we are expecting to warm up.

All other fresh herbs are steady.

HERB	SUPPLY	QUALITY	COUNTRY OF ORIGIN
Arugula	Steady	Good	USA
Basil	Steady	Fair	MEXICO
Opal Basil	Steady	Fair	USA
Thai Basil	Steady	Good	USA/MEXICO
Bay Leaves	Steady	Good	COLOMBIA
Chervil	Steady	Good	USA
Chives	Steady	Good	MEXICO
Cilantro	Steady	Good	USA
Dill	Steady	Good	USA/MEXICO
Epazote	Steady	Fair	MEXICO
Lemongrass	Steady	Good	USA
Marjoram	Steady	Good	MEXICO
Mint	Steady	Good	USA/MEXICO
Oregano	Steady	Good	USA/MEXICO
Italian Parsley	Steady	Good	USA
Rosemary	Steady	Good	USA/MEXICO
Sage	Steady	Good	USA/MEXICO

Savory	Steady	Fair	USA
Sorrel	Steady	Good	USA
Tarragon	Steady	Fair	MEXICO
Thyme	Steady	Good	USA/MEXICO
Lemon Thyme	Steady	Good	USA
Lavender	Steady	Good	USA
Lime Leaves	Steady	Fair	USA

## Melons

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**Cantaloupe:** The cantaloupe market has very strong demand right now, partly due to the Easter holiday and large retail promotions but also due to a decrease in overall supply from Guatemala and Honduras. We believe the cantaloupe market will remain strong through the rest of April and throughout the month of May as desert production in AZ/CA has been pushed back due to cooler weather during the growing cycle. There is currently a very good mix of sizing coming in on the cantaloupe, peaking primarily on 9ct. Quality has been strong with good shell color and brix levels showing a range of 11-14%.

**Honeydew:** Good volume primarily on larger sizing, but we finally have some 6s and even a few 8s finding their way to us. We anticipate the next 2-3 weeks to be steady. Overall quality has been solid with good internal quality of flavor and brix levels ranging from 10-13%.

## Mixed Vegetables

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**Artichokes:** Supply industry-wide is fair. Demand is fair and prices are steady to higher.

**Arugula:** Supply and quality are good.

**Asparagus:** Growers have good supply. Quality is good and steady.

**Bok Choy:** Supply for 50lb are in short supply and prices are up.

**Broccoli / Broccoli Florets:** Supply is very good this week.

**Brussels Sprouts:** Very light availability this week.

**Carrots:** Carrots are improving. Supply now available in Georgia as well.

**Cauliflower:** Supply will be light this week.

**Celery:** **EXTREME** We will have light volume from Mexico this week. The weather has warmed up slightly, but sizing is still a little smaller than we would like out of Mexico. Extremely high, open-market prices.

**Corn:** The market ticked up a tad, but there is still good supply and good quality out of Florida and Mexico.

**Cilantro:** Quality is improving, and supply is good.

**Fennel:** Supply on fennel will be short for the next few weeks due to frost damage and the Yuma season finishing with light supply. We will continue to see a majority of smaller fennel this week - 18s and 24s will remain limited.

**Garlic:** Supply is firming up and markets are active.

**Ginger:** Chinese ginger markets are mixed, but quality is good. Also, product is available at higher costs from Brazil, Peru and Thailand.

**Green Cabbage:** Supply is good with available loading through Texas.

**Green Onions:** Demand, supply and quality are good.

**JICAMA:** Steady supply crossing through Texas.

**Kale (Green):** Supply is steady.

**Mache:** Availability is adequate.

**Mushrooms:** **WATCH LIST:** Mushroom growers are still recovering from the severe damage in the South and Southeast, as well as Puerto Rico. Hurricane Harvey and Irma have resulted in a tightening market, and the American Mushroom Institute has said it expects supply to be affected for several months. We are starting to see some improvement of supply and will keep you informed of any changes.

**Napa:** Supply and quality are fair.

**Parsley: (Curly, Italian)** Quality is good. Supply is steady.

**Rapini:** Supply has improved, and markets are steady. Quality has improved.

**Radishes:** Markets are firming up due to heavy precipitation and wind damage to fields. We see FOB pricing ticking up.

**Red Cabbage:** **ESCALATED** Supply continues to be light.

**Sugar Snap/Snow Peas:** Supply is tight, quality is good, demand should be increasing.

**Spinach (Bunched):** Quality and supply are good.

**Spinach (Baby):** Supply and quality are good.

**Spring Mix:** Supply and quality are good.

**Sweet Potatoes and Yams:** **WATCH LIST** Hurricane Florence damage coupled with heavy rains over the winter months have driven down supply. Growers can't get into the fields to harvest/move product quickly enough to meet demand and therefore market pricing is up. We do not anticipate any change as most all regions and

weather have magnified the short year's issues with availability. We anticipate pricing will only rise further come summertime.

### **Onions:**

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**Onions: EXTREME** White onions remain extreme as supply is very limited. While Idaho/Oregon and Washington continue to wind down, Texas continues to bring more product to market to make up for the short fall. Because of this, markets on red and yellow onions have leveled off and settled out. The Imperial Valley, California is expected to start this coming Monday in a small way. They will ramp up supply throughout the week, and by April 29<sup>th</sup> they will be in full swing. They are expected to have a very healthy crop with good quality and size. We anticipate the market to remain fairly steady over these next few weeks as new growing regions will take the place of the decrease in supply in the Northwest.

### **Potatoes:**

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The Potato market has been stable with good availability on all sizes. Pricing has leveled off and the consumer market has been on the slower side. The Burbanks remain a smaller profile with limited availability on large cartons. There have been no transportation issues during this time.

### **TOMATOES - EAST**

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- **Rounds:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Romas:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Grapes:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Cherries:** Cherry tomatoes are steady to up. Supply remains light, which is causing the slight price increase. Quality is mixed between fair and good in both regions.
- **Organic Tomatoes:** Supply is improving, and markets are easing. Overall quality is good.

### **TOMATOES - WEST AND MEXICO**

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- **Rounds:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Romas:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Grapes:** Supply is improving as transition to spring crops are complete. Expect good volume and quality for the next several weeks.
- **Cherries:** Cherry tomatoes are steady to up. Supply remains light, which is causing the slight price increase. Quality is mixed between fair and good in both regions.

### **APPLES & PEARS**

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#### **Apples:**

- **GRANNY SMITH** - The Granny Smith holdings in Washington are low as compared to last year's crop. We will have some supply of Grannys through the balance of the season. The best values will be on Exfcy # 1 72s to 88s although the pricing on the crop will continue to increase throughout the balance of the marketing season.
- **FUJIS** - Fujis are peaking on 64s to 88s with most grower lots heavy to Exfcy # 1 grade.
- **GALAS** - The quality of the Gala apples is very good. Most grower lots are peaking on Premium Exfcy 80s to 113s.

- **HONEYCRISP** - We will pack Honeycrisp through about the middle of June. The overall pricing on Honeycrisp this season is much less than the past several years due to increased production. Prices will increase over the next couple of months.
- **CRIPPS PINK** - We will have Cripps Pink apples through the summer months. Most grower lots are peaking on Premium Exfcy 88s to 113s. The pricing is fairly high at this time and should remain fairly steady through the spring months.
- **BRAEBURNS** - We will have Braeburn apples through June. Most grower lots are peaking on Premium Exfcy 80s to 100s.
- **CRIMSON DELIGHT** - The Crimson Delight is a sweet tart apple with good blush red color. They are very crisp and keep very well. We will have plenty of supply through about the 1st of June.

**Pears:** The Anjou, Bosc, and red pears are available, and we will have good supply of US#1 pears available through about the 1st of June. The pear market has been lower this season due to additional supply, so pears are a great value at this time.

### **STONE FRUIT**

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- **Peaches** are available
- **Nectarines** are available